



Board of Administration
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To: The Honorable Wesley Chesbro, Chair
Senate Budget and Fiscal Review Committee
Joint Committee on Legislative Budget
State Capitol, Room 5035
Sacramento, CA 95814

The Honorable Michael Machado, Chair
Senate Budget and Fiscal Review Subcommittee #4
State Capitol, Room 5019
Sacramento, CA 95814

The Honorable John Laird, Chair
Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

The Honorable Rudy Bermudez, Chair
Assembly Budget Subcommittee #4
State Capitol, Room 5135
Sacramento, CA 95814

Subject: Budget Act Control Language - California Public Employees' Retirement
System Three-Year Business Plan for Fiscal Years 2006-07 through 2008-09

In accordance with control language included in the Budget Act of 2005,
Item 1900-015-0830 (2), the California Public Employees' Retirement System
(CalPERS) respectfully submits its Three Year Business Plan as approved in it's
Second Reading by the CalPERS' Board of Administration at the June 16, 2006
meeting.

The following enclosed attachment is the CalPERS Three-Year Business Plan.

Attachment I: • CalPERS Three-Year Business Plan 2006-07 through
2008-09

If you or your staff have any questions or concerns with this report, please contact me at (916) 795-3825 or Gloria Moore Andrews, Deputy Executive Officer – Operations, at (916) 795-1251.

Sincerely,

FRED BUENROSTRO
Chief Executive Officer

Enclosure

cc: Brian Annis, Consultant
Senate Budget and Fiscal Review Committee
Senate Budget and Fiscal Review Subcommittee #4

Adam Dondro, Consultant
Assembly Budget Committee
Assembly Budget Subcommittee #4

Rosario Marin, Secretary
State and Consumer Services Agency

Michael Cohen, Director
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Division of Accounting and Reporting
State Controller's Office

Tom Dithridge, Program Budget Manager
Department of Finance

Office of the Legislative Counsel
Attn: Indexing Division